

Internal Revenue Service

# Human Capital Office



# Workforce Planning, Analyses and Measures

November 2003

# **Two key pieces to workforce planning**

**Defining the Future Workforce Plan and Program**

**(DEMAND)**

**Aging the Current Workforce**

**(SUPPLY)**

- Design of workforce plan based on strategic plan and budget
- High level, design support in the Commissioner's guidance, strategic plan and budget and performance measures
- Technical, implementation support in Footprint Data and Blueprint, Internal Revenue Manual, Workforce Analysis Report, Workforce Planning Council, Authorized Staffing and Charting
  - Currently capable of making reasonable estimates
  - Occupationally specific
  - Captures competencies in performance assessments
  - Includes on board personnel
  - Calculate attrition and migration of current workforce to age or determine future supply

# We provide analyses, reports, procedures and policy recommendations to bridge the gap between demand and supply

Strategic Business Environment

Stratified Workload Demand

Business Process Changes

Required Workforce

***Workforce Planning develops strategy, policy and analyses which measure how our tools and procedures can be used to shape the current workforce.***

- ***Recruiting/Hiring Policy***
- ***Compensation/Incentives***
- ***Retirements/Buyouts***
- ***Education and Training***
- ***Authorized Staffing***

Current Workforce  
FY 2004

**DEMAND: Strategic Assessment Decisions are made through Program Changes Measured in Resources Allocated in FTE Dollars and Staff**

**Current Budget & Staff**

**+/-**

**Future Program Changes**

**=**

**Required Workforce**

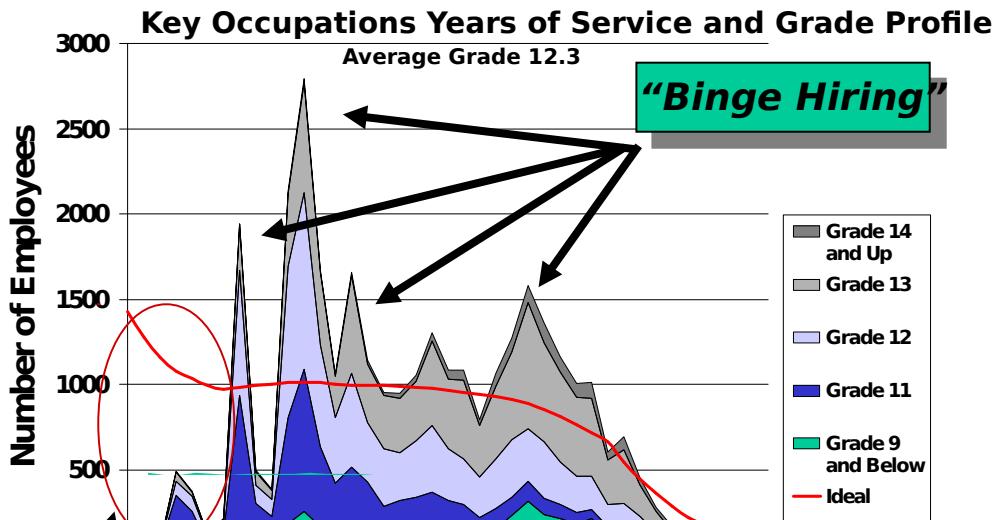
- With no program changes we still need to replace losses (internal migrations or separations)
- If there are program changes (strategic decisions) they are linked to performance

# **DEMAND: Budget decisions determine resource allocations that influence business outcomes, e.g. taxpayer education and customer service**

Program Changes				Outcome Measures			
Name	DRIPs	FTE	\$	Measures/Indicators			
SBSE-1	Complete the TEC Design Footprint	125	10.7	1.	Education and Outreach Staff Years		
				2.	Number of Taxpayers Assisted - Direct (Face to Face)		
				3.	Number of Taxpayers Assisted - Indirect (Media, etc.)		
				6.	SB/SE Outreach Events/Activities		
				10.	Number of Alternative Treatment Initiatives		
W&l-9	Increase Calls Answered	489	23.9	28.	Teletax and Toll-Free Automated Calls (000)		
				29.	Assistor Calls Answered (000)		
				30.	Toll Free Customer Satisfaction (4 point scale SBSE/W&l)		

- Assumption is to maintain current levels of expenditure or increase/decrease based upon resource level changes.
- Resource level changes are based on Senior Leadership Team decisions on program areas that are linked to program measures.

# SUPPLY: Current workforce suffers from critical imbalances with significant changes on the way



Little Recent Hiring

Key occupations include:  
512 (RA), 526 (TS), 1169 (RO),  
1811 (SA), 334 (CS).  
Executive and Sr. Mgrs included.

**Key Occupations show significant levels of retirement eligible**

Group	Number	Percent Retirement Eligible FY2001	Percent Retirement Eligible FY2005
Executive	270	22/51	57/28
Senior Managers*	1700	20/43	46/32
Revenue Agents	13015	13/28	25/32
Revenue Officers	6242	10/32	24/30
Tax Specialists	2736	11/25	15/27
Computer Specialists	4563	8/24	31/21

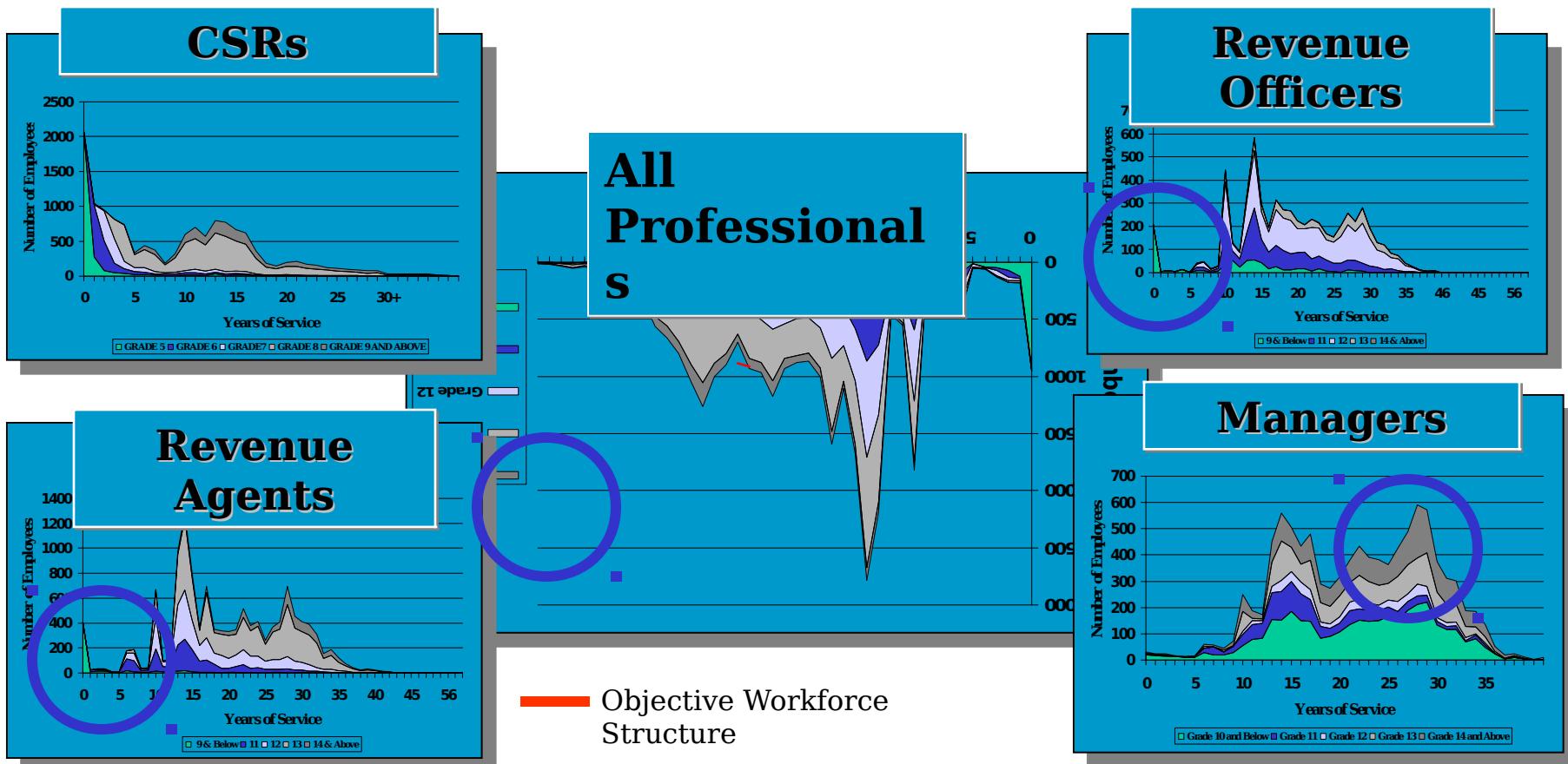
Regular/Early Retirement

\*Senior Managers estimated

Pay period 6, 2002 (ending April 6) data used.  
Executive includes PayPlan ES, EP, AD, SL. Sr Manager includes Pay Plan IR grade 01.

# **SUPPLY: Workforce Structure Objective versus Actual HR Strategic Assessment**

## **Select Mission-Critical Occupations: Years of Service Profiles Indicative of Supply Gap**



— Objective Workforce  
Structure

# SUPPLY: Reports provided to Operating Divisions in the Workforce Analysis Report and Multiyear Staffing Plan

One-page summary for each of the 5-year planning window

FY2002 SBSE Staffing Plan

	FY2002 Baseline On-Boards	FY2002 Funded But Not Filled	Non-Retirement Separations	Retirement Separations	Program Adjustments (DRIPS, etc.)	Migrations Out	Separations Shortfall	Total FY2002 Hires	Internal Hiring	External Hiring
Revenue Agent - Entry	2,000	100	74	40	500	89	0	803	482	321
Revenue Agent - Above Journey	4,000	100	164	20	500	182	0	966	580	386
Revenue Officer - Entry	1,000	100	46	20	100	182	0	448	314	134
Revenue Officer - Above Journey	1,000	100	42	40	-100	353	0	435	218	218
Tax Compliance Officer - Entry	1,000	100	48	20	0	470	0	638	319	319
Tax Specialist - Entry	1,000	100	49	20	0	366	0	535	321	214
Tax Specialist - Above Journey	1,000	100	53	40	0	484	0	677	339	339
Tax Examiner	1,000	100	51	20	0	850	0	1,021	511	511
Customer Service Representative	1,000	100	52	20	0	53	0	225	113	113
<b>Subtotal</b>	<b>13,000</b>	<b>900</b>	<b>579</b>	<b>240</b>	<b>1,000</b>	<b>3,029</b>	<b>0</b>	<b>5,748</b>	<b>3,197</b>	<b>2,555</b>

FY2002 User Inputs

	FY2002 Baseline On-Boards	FY2002 Funded But Not Filled	Retirement Eligible	Percent who Retire	Non-Retirement Separations	Program Adjustments (DRIPS, etc.)
Revenue Agent - Entry	2,000	100	200	20.0%	4.1%	500
Revenue Agent - Above Journey	4,000	100	100	20.0%	4.2%	500
Revenue Officer - Entry	1,000	100	100	20.0%	5.1%	100
Revenue Officer - Above Journey	1,000	100	200	20.0%	5.2%	-100
Tax Compliance Officer - Entry	1,000	100	100	20.0%	5.3%	0
Tax Specialist - Entry	1,000	100	100	20.0%	5.4%	0
Tax Specialist - Above Journey	1,000	100	200	20.0%	6.6%	0
Tax Examiner	1,000	100	100	20.0%	5.7%	0
Customer Service Representative	1,000	100	100	20.0%	5.8%	0
<b>Subtotal</b>	<b>13,000</b>	<b>900</b>	<b>1,200</b>			<b>1,000</b>

FY2002 Sourcing Sequence Inputs

	SBSE Revenue Agent - Entry	SBSE Revenue Agent - Above Journey	SBSE Revenue Officer - Entry	SBSE Revenue Officer - Above Journey	SBSE Tax Specialist - Entry	SBSE Tax Specialist - Above Journey	SBSE Tax Examiner	SBSE Customer Service Representative	W&L Tax Examiner	W&L Tax Specialist - Above Journey	W&L Tax Specialist - Entry	W&L Tax Resolution Representative	LMSB Revenue Agent - Above Journey	LMSB Engineer/Econ (GS-11/12/13)	LMSB Engineer/Econ (GS-13)	TEGE Revenue Agent - Above Journey	TEGE Customer Service Representative	TEGE Tax Law Specialist	TEGE Special Agent	Appeals Appeals Officer	MTS SVCS Computer Specialist	All Other Internal	Other Miscellaneous		
Revenue Agent - Entry	40%				10%	10%	10%	20%															10%		
Revenue Agent - Above Journey	40%				10%	10%	10%	20%															10%		
Revenue Officer - Entry	30%				20%		20%																	10%	
Revenue Officer - Above Journey	50%																								
Tax Compliance Officer - Entry	50%	10%	10%	10%	20%																				
Tax Specialist - Entry	40%																								
Tax Specialist - Above Journey	50%	10%	10%	10%	20%																				
Tax Examiner	50%																								
Customer Service Representative	50%																								



SHR Workforce Planning Division

# SUPPLY: Workforce Analysis Report is detailed. Internal Migration provides key information for the entire organization

		All Other Internal	Other Miscellaneous	Appeals	Appeals Officer	MITS Svcs	Computer Specialist	CI Special Agent	TEGE	Tax Law Specialist	TEGE Revenue Agent - Above Journey	TEGE Revenue Agent - Entry	LMSB Engineers/Econ. (GS-11/12/13)	LMSB Engineers/Econ. (GS13)	LMSB Revenue Agent - Above Journey	W&I Customer Service Representative	W&I Tax Examiner	W&I Tax Specialist - Above Journey	W&I Tax Specialist - Entry	W&I Tax Resolution Representative	SBSE Customer Service Representative	SBSE Tax Examiner	SBSE Tax Specialist - Above Journey	SBSE Tax Specialist - Entry	SBSE Tax Compliance Officer - Entry	SBSE Revenue Officer - Above Journey	SBSE Revenue Officer - Entry	SBSE Revenue Agent - Above Journey	SBSE Revenue Agent - Entry	TEGE Revenue Agent - Entry	TEGE Revenue Agent - Above Journey	TEGE Customer Service Representative	TEGE Tax Law Specialist	CI Special Agent	MITS Svcs Computer Specialist	Appeals Appeals Officer	Other Miscellaneous	All Other Internal
SBSE	Revenue Agent - Entry	40%					10%	10%	10%	20%																							10%					
SBSE	Revenue Agent - Above Journey	40%					10%	10%	10%	20%																						10%						
SBSE	Revenue Officer - Entry	30%					20%		20%																							10%						
SBSE	Revenue Officer - Above Journey	50%																															20%					
SBSE	Tax Compliance Officer - Entry	50%	10%	10%	10%	20%																																
SBSE	Tax Specialist - Entry	40%																																				
SBSE	Tax Specialist - Above Journey	50%																																				
SBSE	Tax Examiner	50%																																				
SBSE	Customer Service Representative	50%																																				
W&I	Tax Resolution Representative	50%																																				
W&I	Tax Specialist - Entry	50%																																				
W&I	Tax Specialist - Above Journey	50%	10%	10%	10%	20%																																
W&I	Tax Examiner	50%																																				
W&I	Customer Service Representative	50%																																				
LMSB	Revenue Agent - Above Journey	50%																																				
LMSB	Engineers/Econ. (GS13)	50%																																				
LMSB	Engineers/Econ. (GS-11/12/13)	50%																																				
TEGE	Revenue Agent - Entry	50%																																				
TEGE	Revenue Agent - Above Journey	50%																																				
TEGE	Customer Service Representative	50%																																				
TEGE	Tax Law Specialist	50%	10%	10%	10%	20%																																
CI	Special Agent	50%																																				
MITS Svcs	Computer Specialist	50%																																				
Appeals	Appeals Officer	50%																																				
Other	Miscellaneous	50%																																				

# Workforce Analysis Report describes multiyear staffing requirements and

IRS Workforce Analysis Report 032103.doc (Preview) - Microsoft Word

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SHR

Workforce Analysis Report  
and  
Multiyear Staffing Plan

First Edition      Apr 2003

*Strategic Human Resources  
Budget Planning Division*

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# Internal Revenue Manual 6.251 describes official policy and guidelines for Workforce Planning

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**PART 6 : HUMAN RESOURCES MANAGEMENT**

- 6.250 GENERAL PROVISIONS FOR HUMAN RESOURCES MANAGEMENT IN THE IRS
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# **Process and models link Strategy, Planning, Budgeting, Performance Measurement to Human Resources**



- Trends, Issues and Problems are identified during the strategic assessment process
- Senior leadership allocates resources among strategic priorities that are linked to business performance measures
- Integrated Workforce Planning quantifies strategic decisions, estimates workforce changes and provides key planning products, such as the multi-year staffing plan. Corroborate and author the Workforce Analysis Report. Produce and maintain the Internal Revenue Manual official policy guidance
- During budget execution performance and outcomes are evaluated

# Key Activities

- **FY 2000**
  - Workforce Transition Modeling
- **FY 2001**
  - Hiring and Staffing Plan
  - Information Systems Development
  - Position Management and Requirements Determination Methodology
- **FY 2002**
  - FY 2002 Hiring and Staffing Plan
  - FY 2003-2005 Multi-year Staffing plan
  - Web Development
- **FY 2003**
  - Internal Revenue Manual
  - Workforce Planning Council
  - Reports to OMB, TIGTA, GAO
  - Enhanced Requirements Planning
  - Multi-year hiring requirements to project training and facility needs
- **FY2000 to Present Numerous Analyses**
  - Managing by ASP proof of concept
  - Labor negotiations support
  - Business Case Analysis for A-76 Activities in L&E
  - TPC consolidation
  - Direct/Indirect Time Worked by Front Line employees
  - Expertise Retention & Knowledge Management Practices
  - Performance Metrics for HCAAF

# **Major Workstreams**

- Provide various **Analyses and Special Projects** across the IRS
  - *Performance Metrics Design for HCAAF: Attrition and Migration Turnover, Front Line, Direct Support and Indirect Support Ratios, Workforce Planning Actuals, and Competency Gap Resolution (Workforce planning & Deployment, Accountability and Talent areas)*
  - Labor Negotiations analysis and support
  - Transition Analysis, e.g. attrition, separation and migration
  - Policy Analysis, e.g. management analyst study support
  - *Expertise Retention and Knowledge Management Assessment Study* on SHR, A-76 Commercial Activities Support, Hi-grade Baseline Analysis, Front Line versus Support Activity Measurement
  - Information Systems assessments such as Peoplesoft/HR Connect, COTS, Workforce Analytics
- Develop and Deploy **Workforce Planning** Models and Procedures
  - Develop system to manage to an ASP determined by workload
  - Determine Critical Competencies, Gaps, and Improvement Strategies
  - Ensure HR Considerations are at Forefront of Resource and Program Decisions and shifts HC Role to Strategic Partner and Change Agent
  - Leverage e-Government to develop workforce planning concepts and operations

# **Major Workstreams**

- **Communications**
  - Gather Information and update Internal Revenue Manual, and Workforce Analysis Report and Multiyear Staffing Plan
  - Lead Workforce Planning Council meetings as a working group
  - Exploit New Technology and Knowledge Sharing, e.g. web portals, shared drives, etc.
  - Provide Analyses and Reports to OMB, GAO, TIGTA and the Commissioner
- **Strategic Planning** and Budgeting
  - Manage the Strategic Planning , Budgeting and Performance Management process for HCO
  - Support the decision-making processes regarding the Human Capital Strategy
  - Author Human Capital Strategic Assessment Report, Requests for Human Capital Initiatives and Reinvestments, Strategy and Program Plans Capital Initiatives and Reinvestments, and Strategy and Program Plans

# ***Human Capital Recent Reorganization***

## ***Current Initiative in Development - Organizational Change Program***

- Purpose:
  - To establish a Service-wide process for projecting and tracking organizational changes
- Proof of Concept in Development
  - Proof of to manage to Authorized Staffing Plans (ASPs)
  - To identify position, FTE and human capital requirements of the IRS based on workload measurement
  - Requires maintaining workload models and an information system of unfunded and funded position requirements (aka Future Years IRS Program and ASP)
    - SAG/LEWIN/SAIC building model